

GENERAL COUNSEL'S REPORT

August 27, 2014

A. Horizon Health & Rehab Center (formerly known as United Regional Medical Center Nursing Home), Manchester (Coffee County), TN — CN0707-061AME

1) Request for a twenty-four (24) month extension of the expiration date from December 18, 2014 to December 18, 2016; 2) Modify the project cost to be \$10,696,697.00, or such lesser amount as the HSDA may determine; and 3) Determine that the conversion of Health Services Manchester, LLC into Health Services Manchester, Inc., a Tennessee nonprofit corporation, is not a change of ownership and will not disturb the status of the Health Services Manchester entity as the proper current and future holder of CN0707-061AME.

The project was originally approved on December 12, 2007 for the relocation and replacement of the existing 72-bed nursing home from 1001 McArthur Drive to the intersection of McArthur Drive and Oak Drive, Manchester (Coffee County), TN with an extended expiration date of February 1, 2010. The project was appealed and once the appeal was dismissed, the expiration date was extended by operation of law until December 18, 2012. On October 24, 2012, a first extension was requested and approved which extended the expiration date until December 18, 2014. The new estimated project cost is \$10,696,697.00.

B. Dyersburg Regional Medical Center, Dyersburg (Dyer County), TN — CN1403-007A

Request by Agency staff for the consideration of a slight modification of a condition, as proposed by Jackson-Madison County General Hospital (JMCGH) and Dyersburg Regional Medical Center (DRMC). On July 23, 2014, DRMC was approved with a condition related to the recruitment of two interventional cardiologists for the expansion of cardiac catheterization services from diagnostic-only procedures to include interventional (therapeutic) cardiac catheterization procedures. The estimated project cost was \$367,763.00.